

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

U.S. BANK NATIONAL ASSOCIATION,	:	CIVIL ACTION
AS TRUSTEE SUCCESSOR-IN-INTEREST:	:	
TO BANK OF AMERICA, N.A., AS	:	
TRUSTEE, SUCCESSOR TO WELLS	:	
FARGO BANK, N.A., AS TRUSTEE	:	
FOR THE REGISTERED HOLDERS OF	:	
WACHOVIA BANK COMMERCIAL	:	
MORTGAGE PASS-THROUGH	:	
CERTIFICATES, SERIES 2006-C23	:	
	:	
v.	:	
	:	
SPRING GARDEN EAST, LP	:	NO. 12-3580

MEMORANDUM

Bartle, J.

March 27, 2013

This is a mortgage foreclosure action. Before the court is the motion of plaintiff for summary judgment under Rule 56 of the Federal Rules of Civil Procedure.

The following facts are undisputed. Plaintiff in its capacity as a trustee, holds a mortgage executed by defendant Spring Garden East, LP ("Spring Garden") on January 10, 2006 in the principal amount of \$10,560,000. It encumbers a commercial property owned by Spring Garden located at 990 Spring Garden Street in Philadelphia, Pennsylvania. A promissory note in the amount of \$10,560,000 accompanied the loan. The plaintiff is the successor in interest to the original lender, Wachovia Bank National Association.

Spring Garden made the required monthly payments of principal and interest of \$59,759.90 through December 2011 but

has failed to make any payments since that time. When a default occurs, "the indebtedness evidenced hereby, including all sums advanced or accrued hereunder or under any other Loan Documents, and all unpaid interest accrued thereon, shall, at the option of the Lender and without notice to Borrower, at once become due and payable and may be collected forthwith." (Mortgage § 5.1(a) and Promissory Note § 2.1). The Borrower, that is Spring Garden, under these circumstances is also required to pay the plaintiff specified late charges, default interest, reasonable attorney's fees and costs (Mortgage § 5.1(e) and Promissory Note §§ 2.2, 2.3, and 2.5). A prepayment fee is also due (Note 1.5(b)).

Plaintiff, on March 28, 2012, properly provided Spring Garden with a Notice of Default with a demand for payment of all amounts required under the loan documents. It is undisputed that the following amounts are due and owing to plaintiff as of December 1, 2012, except as other noted:

Principal	\$ 9,642,310.17
Accrued Interest (12/11/11 - 12/10/12)	536,224.94
Prepayment Fee (a/o 4/11/12)	1,680,916.39
Default Interest (1/11/12 - 12/1/12)	348,194.53
Late Charges (1/11/12 - 11/11/12)	54,764.84
Administrative Fees	345.00
Tax Escrow Advance	28,950.24
Insurance Escrow Advance	12,612.87
Tax/Insurance Advance Interest (a/o 4/1/12)	455.20
Survey/Title	6,682.35

Property Condition Assessment	3,400.00
Insurance	15,325.64
Travel	185.00
Appraisal	5,500.00
Legal Fees/Costs (a/o 2/26/13)	67,550.09
Other Contingency	97.16
<u>Less Reserves</u>	<u>(460,756.53)</u>
TOTAL	\$11,942,757.89

Accordingly, we will grant the plaintiff's motion for summary judgment.